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modified. The changes have been drawn from the Kansas law already applicable to cities of the first class and from the Iowa law of 1907. The old law relating to cities of the second class was brief, the new law longer and more complicated. It provides for the annual budget, the granting of franchises, the initiative, the referendum, and for the return to the old form of government after four years trial, by a petition and majority vote at a special election. No provision is made for the recall. Cities of the first class are to be permitted the use of the initiative and recall but no referendum and cities of the second class the initiative and referendum but no recall.

ROBERT ARGYLL CAMPBELL.

**Tax Legislation in Maine.** Maine tax legislation in 1909 takes special interest from the fact that the legislature considered the report of the special tax commission which for over a year had been thoroughly investigating the tax system of the state. Perhaps the most important result is the act increasing the powers of the state assessors. The legislature adopted almost unchanged the bill submitted by the commission, which was modeled on the Wisconsin, Minnesota, and Michigan acts. The state assessors, hitherto elected by the legislature, become appointive officers with increased salaries; and in addition to the somewhat clerical duties which they have had since their creation twenty years ago, they must now instruct and supervise local assessors, and investigate the concealment and undervaluation of taxable property, and they may order the reassessment of the entire property, or any class of property, in any town, compel the attendance of witnesses and examine books and papers.

The tax commission's recommendation respecting the state assessors was addressed at the inevitable evils of a direct state tax apportioned by valuations. Further to mitigate these evils, the commission urged an apportionment of the amount by land values instead of by general property values, each community to continue to levy its apportioned share upon the general property taxable within its borders. To abolish the direct tax, or to apportion the amount by local expenditures, would exempt from state taxation the forest lands in the unincorporated portion of the state, which form one-tenth the valuation of the state, and are subject only to a small county tax besides the direct state tax. The public sentiment in the state for an increase rather than a decrease of forest taxation was one of the chief causes for the creation of the special

tax commission. Administrative if not constitutional difficulties barred the way to the classification of the timber lands for taxation at a special rate or by a special form of tax.

The commission's recommendation failed to meet with legislative approval, chiefly because of the hardship to rural towns. In order to increase the tax burden upon the wild lands under the existing system of apportionment, it was suggested in the legislature that the proceeds of the state indirect taxes should be paid over to the towns according to their valuations, for road and school purposes, and that the rate of state tax should be doubled to fill the resulting hiatus in state revenue. Another plan comprised a direct increase in state tax rate, the additional receipts to be turned over to municipalities for schools in proportion to scholars, for roads in proportion to mileage, or for both purposes in proportion to local valuations. By the legislation eventually passed, a state tax of  $1\frac{1}{2}$  mills on each dollar of valuation, is levied, additional to the direct tax of 3 mills, the proceeds to be paid to towns for school purposes, two-thirds by valuation and one-third by school population. A fire district has been created, comprising the wild lands, subject to a special levy of  $1\frac{1}{2}$  mills on each dollar of valuation. A total state tax of 6 mills upon forest lands is the result of this legislation, in addition to which they remain subject to county taxes and special road and bridge taxes.

Although the legislature refused assent to the recommendation of a majority of the tax commission for the substitution of an *ad valorem* system for the excise taxes upon gross receipts of public service companies, it adopted several changes to meet criticisms by the commission. The rate of the steam railroad tax is to increase one-fourth of 1 per cent for each \$400 per mile of gross receipts above \$1500 to a maximum of 5 per cent instead of increasing one-fourth of 1 per cent for each \$500 to a maximum of  $4\frac{1}{2}$  per cent. The rate for exclusively freight roads is limited to a maximum of 3 per cent. The rate for electric roads is increased from three-twentieths of 1 per cent per \$1000 of gross receipts per mile to one-fourth of 1 per cent per \$1000 with a maximum of 4 per cent. The special tax for the support of the railroad commissioners is repealed. The rate upon Pullman cars is increased from  $4\frac{1}{2}$  to 5 per cent of gross receipts. The express company rate is increased from  $2\frac{1}{2}$  to 3 per cent. The local taxes on real estate are no longer to be deducted from the state tax to be paid by express, telephone and telegraph companies. Taxable gross receipts of telephone and telegraph companies now comprise receipts collected within the state instead of

receipts from business done wholly within the state: a change of doubtful constitutionality, although the companies will not contest the matter.

The only change in the taxation of business corporations was a regulatory rather than fiscal measure, offered by the tax commission, for an annual registration fee of \$10 upon foreign corporations maintaining a place of business in the state.

A direct inheritance tax is added to the collateral tax which Maine first adopted in 1893. The legislature did not follow the elaborate Wisconsin classification of inheritors proposed by the tax commission, but adopted the following schedule:

Husband, wife, lineal ancestor, descendant, adopted child, its descendant, son's wife or widow, daughter's husband, 1 per cent if the individual inheritance is between \$10,000 and \$50,000;  $1\frac{1}{2}$  per cent if between \$50,000 and \$100,000; 2 per cent if over \$100,000. Brother, sister, uncle, aunt, nephew, niece, cousin, 4 per cent if the individual inheritance is between \$500 and \$50,000;  $4\frac{1}{2}$  per cent if between \$50,000 and \$100,000; 5 per cent if over \$100,000.

Other inheritors, except exempt institutions, 5 per cent, 6 per cent, or 7 per cent, according as the amounts are as just enumerated.

By a commendable reciprocal clause, property of non-residents located in Maine and of Maine residents located elsewhere is to be liable in Maine only for the excess of the Maine tax over the tax properly levied by another sovereignty. The legislature made new provisions for the collection of the tax, but failed to adopt the commission's careful definitions of taxable intangible interests and its clauses for the collection of the tax on transfers thereof.

The tax commission recommended the exemption of mortgage credits, of bonds and stocks of taxed corporations, and of Maine state, county and municipal bonds; advocated the taxation of bank stock at the location of the bank; and urged a mortgage recording tax. The only legislative action upon these suggestions was to exempt future issues of Maine state, county and municipal bonds.

A substantial part of the tax commission's suggestions failed of adoption. Some have already been mentioned; others were the following: a uniform poll tax; the standard of assessment "full market value;" a graduated automobile tax; separate valuation of land and buildings; state assessment of electric, gas and water companies located in more than one town; taxation of national bank savings deposits, of life insurance companies upon net reserve instead of premiums, and of vessels

owned by railroad companies. On the whole, however, an important portion of the commission's recommendations were embodied in legislation.

CLEMENT F. ROBINSON.

**Tuberculin Test.** The common council of the city of Milwaukee passed an ordinance forbidding the sale of milk except from cows which had been submitted to the tuberculin test. This ordinance was to have gone into effect on March 30, 1909. The day before it was to have become effective an injunction was issued restraining the officials from enforcing it. The case was at once taken into court and in September a decision was rendered sustaining the ordinance. The report of the court commissioner gives the following conclusions arrived at in the case: 1. That bovine tuberculosis is transmissible to man. 2. That there is danger of human beings becoming infected from bovine bacilli in milk from tubercular cows. 3. That the tuberculin test, while not infallible, is a reliable, trustworthy, and useful diagnostic agent for determining the existence or non-existence of tuberculosis in cattle.

LORIAN P. JEFFERSON.

**Uniform Accounting.** The movement for efficient government through accurate and comparable accounts makes steady progress. Indiana enacted a state wide law at the last session<sup>1</sup> and the state board of accounts has formulated a part of the system to be installed January 1, 1910.

Washington also enacted the uniform accounting system in a law which is a faithful copy of the Ohio law. The bureau of inspection and supervision of public offices is established in the office of the auditor of state. The auditor is the chief of the bureau, as is the case in Ohio, and appoints not more than three deputies. The law applies to all state officers and state institutions and all other public offices. The system of accounts and reports is required to be uniform for every office and account of the same class. No essential differences are to be found in this respect from the Indiana law which was itself modeled on the Ohio law. Four states, Ohio, Indiana, Wyoming and Washington have now adopted a state wide system of uniform accounts. Many others have adopted the system for some offices and all are moving in this direction. A complete uniform system in coöperation with the federal authorities at Washington will do much to promote good government.

<sup>1</sup>See *Pol. Sci. Rev.*, May 1909, p. 205.